

MARGARET DONNELLAN TODD
COUNTY LIBRARIAN

June 8, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO APPROVE TAX RATE RESOLUTION FISCAL YEAR
2004-05 VOTER-APPROVED LIBRARY SPECIAL TAX
ALL DISTRICTS (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached resolution fixing the Fiscal Year 2004-05 tax rate for the County Library voter-approved special tax.
2. Instruct the County Librarian and Auditor-Controller to take all actions necessary to implement the special tax levy for Fiscal Year 2004-05 as approved by the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The approval of the resolution will authorize an adjustment in the amount of the special tax rate for Fiscal Year 2004-05 from \$24.76 to \$25.22 per parcel and will levy the tax consistent with voter approval of the June 3, 1997 ballot measure (Proposition L) authorizing this special tax.

The collection of taxes is necessary to enable the County Library to finance the Fiscal Year 2004-05 supplemental services and facilities, including hours of operation and purchase of books and materials, at the affected libraries. The adjustment in the tax rate for Fiscal Year 2004-05 will partially offset inflationary cost increases to maintain service levels at those libraries.

Implementation of Strategic Plan Goals

Approval of this request is consistent with the County's Strategic Plan in the area of fiscal responsibility to effectively manage financial resources.

FISCAL IMPACT/FINANCING

The Fiscal Year 2004-05 Proposed Budget assumed the collection of \$11,400,000 in voter-approved special taxes and Board approval of the maximum amount of the special tax for Fiscal Year 2004-05.

Approval of the recommended adjustment is necessary to maintain current service levels at the affected libraries. If the recommended adjustment is not approved, the Department will not be able to collect the additional special tax revenue of \$297,000 that is assumed in the Fiscal Year 2004-05 Proposed Budget. Considering the State Budget reductions facing the County for Fiscal Year 2004-05, it is urgent that the Board approve the proposed tax rate to provide the County Library with maximum flexibility in the service areas affected by the special tax.

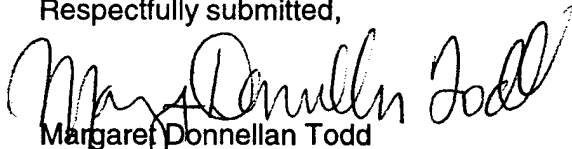
FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Government Code Sections 23027 and 50075 et seq. require that the Board approve the attached resolution in conjunction with the levying of taxes. This resolution will adjust the voter-approved special tax rate for inflation based on changes in the California Consumer Price Index (CCPI) as established by the California State Board of Equalization. This is consistent with the resolution adopted by the Board on March 4, 1997, which provides that the maximum amount of the special tax shall increase annually by 2%, or the percentage change in the consumer price index for the prior fiscal year, whichever is less, although for any fiscal year, the Board may levy the special tax at less than the maximum amount. The CCPI increase as reported by the California State Board of Equalization for Fiscal Year 2004-05 is 1.867%. Therefore, the recommended increase over the prior year's maximum tax rate is for the lower allowable adjustment of 1.867%.

IMPACT ON CURRENT SERVICES

Collection of these taxes will provide necessary funds to finance continuation of supplemental services in a portion of the County Library service area affected by the voter-approved special tax.

Respectfully submitted,



Margaret Donnellan Todd
County Librarian

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Attachment

c: Chief Administrative Officer
Auditor Controller
Executive Officer, Board of Supervisors